

# NEIGHBORHOOD & HOUSING SERVICES DEPARTMENT



## Owner-Occupied Rehabilitation and Reconstruction Program (OORRP)

### Program Background

The Owner-Occupied Rehabilitation and Reconstruction Program assists low-to-moderate income homeowners with rehabilitation of substandard homes to reduce monthly energy bills, provide greater accessibility, improve safety and decency, and bring homes up to housing codes.

Assistance is provided in the form of a deferred forgivable loan with a term of 10, 15, or 20 years.

### Program Eligibility Requirements

- Homeowner must be a US citizen or Legal Resident
- Homeowner must have clear title and must occupy property
- Property value with rehabilitation cannot exceed \$178,500
- Mortgage loans must be current, mortgage balance and home's square footage may impact eligibility
- Property must be an owner-occupied, single-family home
- Property must be within City Council District 1-7
- Homeowner and property must be clear of liens or judgment, except for mortgages
- Property taxes must be current; taxes in arrears, deferrals and payment plans are not eligible
- Property must be designated a Homestead with the Bexar County Appraisal District
- Utility bills must be in the homeowner's name
- Rental properties, mobile homes and duplexes are not eligible
- Chapter 7, Chapter 13 bankruptcy, reverse mortgage loans are not eligible
- Homeowner is not eligible if an existing HUD or City funded contract or restrictive covenant exist for Down Payment Assistance or OORRP, excluding lead-based paint remediation
- Household gross income must be at or below 80% of the Area Median Income (AMI) limits:

Household Size	1	2	3	4	5	6	7	8
Annual Income	\$40,350	\$46,100	\$51,850	\$57,600	\$62,250	\$66,850	\$71,450	\$76,050

### Equity

Each year, equity metric measures are used to determine how funding (available project slots) will be divided among City Council Districts. Equity measures are developed by NHSD's Equity Action Team and approved by the NHSD Director.

FY2021 Equity Metrics:

1. Census tract concentration of 75.22% or greater of People of Color
2. Median Household Income of \$66,800 or below
3. Number of Redline census tracts

Housing Production staff will assign each application a score from 0-7 based on application characteristics listed on the below scorecard. The application characteristics were determined using FY2021 Equity Metrics and populations that should be prioritized based on need or historical disinvestment.

- Census tract data will be gathered from the COSA Equity Matrix maps.
- All other application characteristics can be identified on the application and verified by staff.
- Applications with a score of 3 or higher will be put in the lottery with adjustments made to this benchmark, as needed.

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## Equity Scorecard FY2021

Application Characteristics	Points
Home is in a census tract labeled with a <i>Hazardous</i> Redline Code	1
Home is in a census tract where the concentration of people of color is 72.05% or greater	1
One or more school-aged children live in the home (under the age of 18)	1
Homeowner is a veteran	1
Homeowner is 62 or older	1
Homeowner has a disability	1
Home is ≤ 1,700 square feet	1
<b>POSSIBLE POINTS</b>	<b>7</b>

## Application Review

Housing Production staff will review submitted applications to screen for preliminary eligibility and provide an equity score.

Staff will verify the following before putting an application in the lottery:

- Home is located in Council District 1-7
- Home has homestead exemption
- Homeowner is not behind on property taxes
- Deed of Trust is in the homeowner's name
- Equity score meets minimum requirement determined for the fiscal year

Applications deemed eligible for the lottery are not guaranteed to be chosen for the Owner-Occupied Rehabilitation and Reconstruction Program. Once selected from the lottery, applicants will be required to submit additional documentation to confirm program eligibility.

## Lottery

NHSD will hold a lottery of all applications determined eligible by staff review to fill the available slots for each City Council District. Additional applications will be identified as alternates should selected applicants withdraw from the program or fail to meet program requirements.

Selected applicants will be notified by phone and/or mail and be asked to submit necessary documentation within 10 days. Applicants not selected from the lottery will be notified by mail and encouraged to reapply the following year.

NHSD's Director has the authority to waive the lottery process and place homeowners who meet all eligibility requirements in the Owner-Occupied Rehabilitation and Reconstruction Program.

NHSD's Director has the authority to hold Owner-Occupied Rehabilitation and Reconstruction Program project slots vacant for eligible homeowners selected for the Minor Repair Program in need of home rehabilitation beyond the funding available through the Minor Repair Program.